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BEFORE THE ARIZONA POWER PLANT AND ...

LINE SITING COMMITTEE

IN THE MATTER OF THE APPLICATION OF COOLIDGE POWER CORPORATION, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES 40-360.03 AND 40-360.06, FOR A CERTIFICATE OF ENVIRONMENTAL

Docket No.L-00000HH-08-0422-00141

Case No. 141

CONSTRUCTION OF A NOMINAL 575 MV Comporation Commission NATURAL GAS-FIRED, SIMPLE CYCLE GENERATING FACILITY LOCATED WITHIN

THE CITY OF COOLIDGE IN PINAL COUNTY, ARIZONA

DOCKETED BY

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Notice is hereby given that pursuant to A.R.S. §§ 38-431.02 and 38-431.05, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee") convened a public, open meeting on October 30, 2008, at 3:00 p.m., at the Coolidge Youth Center, 660 South Main Street,

Coolidge, Arizona 85228, and ratified its prior action by validating the October 1, 2008, vote of the Committee to grant a Certificate of Environmental Compatibility ("Certificate") in this case.

Previously, on October 1, 2008, by a unanimous vote of ten in favor and none opposed. the Committee granted the Certificate. On October 3, 2008, the Chairman of the Committee signed the Certificate issued by the Committee. On October 6, 2008, the issued and signed Certificate was docketed with the Arizona Corporation Commission.

Subsequently, to address and remediate procedural concerns raised by Arizona Corporation Commission Staff ("Staff"), the Committee properly published and posted a notice and agenda for the October 30, 2008, open meeting to discuss and possibly take legal action to ratify its prior grant of the Certificate. The notice and agenda expressly set forth the following agenda items:

Discussion and potential vote regarding consideration of the oral recordings, transcript, exhibits, the Certificate of Environmental Compatibility and all other docketed filings comprising the entire record in Case No. 141, all of which have been publicly available at the Commission since October 6, 2008, as the basis for the Committee's potential ratification of its October 1, 2008 vote to approve a Certificate of Environmental Compatibility for the Project.

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Discussion and potential vote regarding exclusion of the September 29, 2008 site tour by certain Committee members and all references of record to such tour and/or communications by or to Committee members in connection therewith.

Discussion and potential vote on potential ratification of the Committee's prior action taken in Case No. 141 on October 1, 2008, to approve a Certificate of Environmental Compatibility for the Project.

Committee Chairman John Foreman and Committee members Paul W. Rasmussen, David Eberhart, Gregg Houtz, Jack Haenichen, Jeff McGuire, Patricia Noland, and Mike Whalen attended the October 30, 2008, open meeting. By a unanimous vote of eight in favor and none opposed the Committee legally acted to consider the oral recordings, transcript, exhibits, the Certificate of Environmental Compatibility and all other docketed filings comprising the record in Case No. 141, with the exception and exclusion of the site tour and any references to the site tour and/or communications by or to Committee members in connection therewith. Finally, by a unanimous vote of eight in favor and none opposed the Committee legally acted to ratify its prior grant of the Certificate in this case, a copy of which is attached as Attachment A to this Notice of Ratification.

Dated this 4th day of November, 2008.

John Foreman, Chairman

Arizona Power Plant and Transmission

Line Siting Committee Assistant Attorney General ichn.foreman@azag.gov

Original & 25 copies filed with Docket control on this 4 day of November, 2008:

1	Copies of the foregoing	
2	sent via email and regular mail on this # day of November, 2008 to:	
3	John Foreman, Chairman	
4	Arizona Power Plant & Transmission Line Siting Committee	
5	1275 W. Washington Phoenix, AZ 85007	
6	Janice Alward, Esq.	
7	Legal Division Arizona Corporation Commission	
8	1200 W. Washington Phoenix, AZ 85007	
9	Maureen Scott, Esq. Legal Division	
10	Arizona Corporation Commission	
11	1200 W. Washington Phoenix, AZ 85007	
12	Nancy Scott, Esq.	
13	Legal Division Arizona Corporation Commission	
14	1200 W. Washington Phoenix, AZ 85007	
15	Bob Gray	
16	Utilities Division Arizona Corporation Commission	
17	1200 W. Washington Phoenix, AZ 85007	
18	Brian McNeil	
19	Executive Director Arizona Corporation Commission	
20	1200 W. Washington Phoenix, AZ 85007	
21	Linda Hogan	
22	Assistant to Executive Director Arizona Corporation Commission	
23	1200 W. Washington Phoenix, AZ 85007	
24	Arizona Reporting Service	
25	2200 N Central Ave. Suite 502 Phoenix, AZ 85012	
26		
27	Twatcher car	

Attachment A To Notice of Ratification

OPEN MEETING ITEM

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RECEIVED ORIGINAL BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE 7000 OCT -5 P 2: 15 2 AZ CORP COMMISSION DOCKET CONTROL 3 IN THE MATTER OF THE APPLICATION OF OF COOLIDGE POWER CORPORATION Arizona Corporation Commission IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360.03 Docket No. L-00000HH-08-0422-00141 40-360.06, et seq., FOR A CERTIFICATE OF **ENVIRONMENTAL COMPATABILITY AUTHORIZING** Case No. 141 CONSTRUCTION OF A NOMINAL 575 MW NATURAL GAS-FIRED, SIMPLE CYCLE GENERATING FACILITY 7 LOCATED WITHIN THE CITY OF COOLIDGE IN PINAL COUNTY, ARIZONA 8 9 10 Notice of Filing Certificate of Environmental Compatibility 11 John Foreman, designee of the Attorney General of Arizona, Terry Goddard, as Chairman and Presiding Officer of the Arizona Power Plant and Transmission Line Siting 12 Committee gives notice of the filing the attached Certificate of Environmental Compatibility with Docket Control of the Arizona Corporation Commission. 13 14 DATED: October 6, 2008 15 16 17 John Foreman, Chairman 18 Arizona Power Plant and Transmission Line Siting Committee 19 **Assistant Attorney General** john.foreman@azag.gov 20 21 22 Pursuant to A.A.C. R14-3-204. The Original and 25 copies were 23 Filed October 6, 2008 with: Arizona Comporation Commission DOCKETED 24 **Docket Control** 25 CST - S 2008 Arizona Corporation Commission 1200 W. Washington St. 26 Phoenix, AZ 85007 DUCKLISHAY

1	This 6 th day of October, 2008 to:
2	,
3	Janice Alward, Chief Counsel Arizona Corporation Commission
4	1200 West Washington Street
5	Phoenix, AZ 85007 Counsel for Legal Division Staff
6	Nancy Scott
7	Counsel for Intervenor Staff Arizona Corporation Commission
8	1200 West Washington Street Phoenix, AZ 85007
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10	Maureen A. Scott Senior Staff Counsel
11	Arizona Corporation Commission 1200 West Washington Street
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13	Brian C. McNeil
14	Executive Director Arizona Corporation Commission
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16	Linda Hagan
17	Linda Hogan Assistant to the Executive Director
18	Arizona Corporation Commission 1200 West Washington Street
19	Phoenix, AZ 85007
20	Jay Moyes
21	Steve Wene Moyes, Sellers & Sims
22	1850 N. Central Avenue – Suite 1100 Phoenix, AZ 85004
23	
24	By: Surio Ellis
25	Jusie Lins

BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

IN THE MATTER OF THE APPLICATION OF COOLIDGE POWER CORPORATION, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES 40-360.03 AND 40-360.06, FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING CONSTRUCTION OF A NOMINAL 575 MW NATURAL GAS-FIRED, SIMPLE CYCLE GENERATING FACILITY LOCATED WITHIN THE CITY OF COOLIDGE IN PINAL COUNTY, ARIZONA

Case No.

L-00000HH-08-0422-00141

Decision No.

DECISION of the ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE and CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held public hearings at the Coolidge Youth Center, September 30 and October 1, 2008, in conformance with the requirements of Arizona Revised Statutes Section 40-360, et seq., for the purpose of receiving public comment and evidence and deliberating on the Application of Coolidge Power Corporation ("Applicant") for a Certificate of Environmental Compatibility in the above-captioned case.

The following members or designees of members of the Committee were present for some or all of the hearings on the Application:

John Foreman Chairman, Designee for the Arizona Attorney General.

Paul W. Rasmussen Designee for the Director of the Arizona Department of

Environmental Quality

David Eberhart Designee for the Chairman of the Arizona Corporation

Commission

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Gregg Houtz	Designee for the Director of the Arizona Department of Water
	Resources
Jack Haenichen	Appointed Member, Energy Office, Arizona Department of
	Commerce
Jeff McGuire	Appointed Member, Agriculture
Patricia Noland	Appointed Member, Counties
Mike Whalen	Appointed Member, Cities
Mike Palmer	Appointed Member
Barry Wong	Appointed Member

Jay Moyes and Steve Wene of Moyes Sellers & Sims Ltd. represented Applicant. Arizona Corporation Commission ("Commission") Utilities Division Staff ("Staff") noticed its intervention as a party, and was represented by Nancy Scott, Esq., and Janice Alward, Esq. All public comments were made part of the record. There were no other interventions or limited appearances.

At the conclusion of the hearings and deliberations, the Committee, (i) having received and considered the Application, the appearances of Applicant and the intervenor; the evidence, testimony and exhibits presented by Applicant and the intervenor, respectively; and the public comments; (ii) being advised of the legal requirements of Arizona Revised Statutes Sections 40-360 to 40-360.13; (iii) upon consideration of the factors identified in Arizona Revised Statutes Section 40-360.06; and (iv) in accordance with A.A.C. R14-3-213, upon motion duly made and seconded, voted to make the following findings of fact and conclusions of law, and to grant Applicant the following Certificate of Environmental Compatibility ("Certificate"):

Findings of Fact:

The Committee finds that there is a need for an adequate, economical and reliable supply of electric power within the Western Electricity Coordinating Council ("WECC") and the State of Arizona, and that Applicant's proposed Coolidge Generating Station

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("CGS") would contribute towards satisfaction of such need without causing material adverse impact to the environment, as mitigated by compliance with the conditions attached to the issuance of the Certificate.

Conclusions of Law:

The Committee concludes that under the facts of this case, as reflected by the record, the Committee has jurisdiction to consider the Application and to grant the Certificate, and Applicant is legally entitled to receive the following Certificate upon the conditions set forth therein.

Certificate of Environmental Compatibility:

Coolidge Power Corporation, and its assignee(s), are hereby granted this Certificate of Environmental Compatibility authorizing construction of a nominal 575 MW natural gas-fired, simple-cycle generating facility and associated generation intertie ("gen-tie") transmission line (collectively the "Project") interconnecting the generating facility to a new switchyard to be separately constructed, owned and operated by Salt River Project ("SRP"). As depicted on the attached Exhibit A, the Project will be constructed on an approximately 100 acre parcel of industrially-zoned land in the City of Coolidge, located within the East ½ and the East ½ of the West ½ of Section 10, Township 6 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal, County, Arizona (the "Project Site"). The Project will include up to twelve (12) General Electric LM6000 PC SPRINT NxGen individual simple-cycle natural gas combustion turbine generator units, each producing up to approximately 48 MWs under optimal conditions, for an aggregate generating output range from approximately 25 MW to approximately 575 MW. The Project will interconnect at the 230kV voltage level with the certificated Pinal West to Southeast Valley/Browning 500/230kV transmission line to be constructed by SRP between the Pinal Central (formerly Pinal South) substation and the Dinosaur (formerly RS-19) substation (the "PC-DIN Circuit"), via a new Randolph switchyard to be constructed, owned and operated by SRP at the Project Site. The PC-DIN Circuit will run adjacent to, and the new switchyard will be constructed on, the western portion of the

Project Site. The switchyard will lie within a single span of conductors from the Pinal Central-Dinosaur 230kV line. The Project gen-tie transmission line will not exceed approximately 3000 feet in total length, and will be constructed using tubular steel monopole tower structures of the type generally depicted on the attached Exhibit B, approximately 100-145 feet in height, in total numbers and spacing to be determined in accordance with applicable interconnection standards and applicable safety and reliability standards.

This Certificate is granted upon the following conditions:

- 1. This authorization to construct the Project will expire five (5) years from the date this Certificate is approved by the Commission unless the Project is capable of operation within the five-year time frame. If the Project is not capable of operation within the five-year time frame, the Applicant, or its assignee(s), may apply to the Commission for an extension of time.
- 2. The Project shall comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable ordinances, master plans and regulations of the State of Arizona, Pinal County, the United States, and any other governmental entities having jurisdiction, including but not limited to the following:
 - a. All applicable land use regulations;
 - b. All applicable zoning stipulations and conditions, including but not limited to landscaping and dust control requirements;
 - c. All applicable air quality control standards and regulations, and permit conditions of the Pinal County Air Quality Control District, the Arizona Department of Environmental Quality and/or Federal agencies having jurisdiction; and the Applicant, or its assignee(s), shall install and operate selective catalytic reduction and oxidation catalyst emission control technologies, as required by the air permit;

- d. All applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources and the Arizona Department of Environmental Quality;
- e. All applicable noise control standards;
- f. All applicable regulations and permits governing storage and handling of chemicals and petroleum products; and
- g. All other applicable federal and state regulations and standards.
- 3. Applicant, or its assignee(s), will provide to the Commission copies of the Project's executed interconnection agreement with SRP, and the technical operating studies which will be performed by SRP prior to actual physical interconnection of the Project to the SRP transmission system.
- At least 30 days prior to commercial operation of the Project, Applicant, or its 4. assignee(s), will file with Commission Docket Control a letter from SRP confirming the completion of all required transmission system upgrades, and the compliance by Applicant, or its assignee(s), with all requirements of SRP to interconnect the Project with the SRP switchyard and transmission system. Applicant, or its assignee(s), will comply with all applicable WECC/NERC standards, without the implementation of an automated Remedial Action Scheme ("RAS") to mitigate any N-1 contingencies, except as a temporary measure until May 30, 2011. The Project may rely upon a temporary RAS to mitigate impacts of an outage on the Dinosaur to Browning 230kV transmission line and, should one occur, will ramp down generation to below 360MW immediately and to below 280MW within thirty (30) minutes. The Project may rely upon a temporary RAS to mitigate impacts of an outage on the Randolph to Dinosaur 230kV transmission line and, should one occur, will shut down generation. The temporary RAS will not be employed to mitigate any N-1 contingency after May 30, 2011; provided, however, that if it reasonably appears that the Project commercial operation date will be delayed beyond May 30, 2011, the Applicant,

- or its assignee(s), may apply to the Commission for an extension of time.
- 5. Applicant, or its assignee(s), shall document and make reasonable efforts to respond to each complaint made to Applicant, or its assignee(s), of alleged interference with radio or television signals from the operation of the Project. Applicant, or its assignee(s), shall maintain written records for a period of five years of all such complaints including the date of the alleged interference, the name and identifying information of the complaining party, the response made, and the results of the corrective action taken or an explanation of why no action was taken, as applicable.
- 6. The Project will be designed and constructed to incorporate reasonable measures to minimize impact upon raptors.
- 7. Non-specular conductor and dulled surfaces shall be used for the gen-tie transmission line structures.
- 8. Applicant, or its assignee(s), or its affiliate company, or its customer, will become a member of the WECC (or its successor), and will file with the Commission a copy of its executed WECC Membership Agreement.
- 9. Before commencing construction of Project facilities located parallel to and within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant, or its assignee(s), shall:
 - a. Perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. If material adverse impacts are noted in the studies, Applicant, or its assignee(s), shall take appropriate steps to ensure that such material adverse impacts are mitigated. Applicant, or its assignee(s), shall file in Commission Docket Control reports of the studies performed; and

- b. Perform a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. This study should either: (i) show that such outage does not result in customer outages; or (ii) include operating plans to minimize any resulting customer outages. Applicant, or its assignee(s), shall file a copy of this study in Commission Docket Control.
- 10. Applicant, or its assignee(s), and/or its affiliate company and/or its customer, will participate in good faith in Arizona and regional workshops and other assessments of the natural gas infrastructure and market.
- 11. Applicant, or its assignee(s), and/or its affiliate company and/or its customer, will take commercially reasonable steps to ensure a reliable supply and delivery of natural gas for the Project.
- 12. Within 30 days of the Commission decision authorizing construction of the Project, Applicant, or its assignee(s), will erect and maintain at the site a sign of not less than 4 feet by 8 feet dimensions, advising:
 - a. That the site has been approved for the construction of a 575 megawatt generating facility and associated gen-tie transmission line interconnecting the generating facility to a new switchyard;
 - b. The expected date of completion of the Project;
 - c. The phone number and address of a Project representative; and
 - d. A website where the public may access public information about the Project.
- 13. To the extent applicable, Applicant, or its assignee(s), will comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901 et seq.) and will, to the extent feasible, minimize the destruction of native plants during the construction and operation of the Project.

- 14. During the construction and maintenance of the Project, to the extent practicable, the Applicant, or its assignee(s), will use existing roads for construction and access, and to the extent applicable taking into account that the Project Site lies within a designated industrial use area, minimize impacts to wildlife and vegetation outside of the Project Site.
- 15. If any archaeological, paleontological, or historical site or object that is at least fifty years old is discovered on state, county, or municipal land during the construction or operation of the Project, Applicant, or its assignee(s), will promptly report the discovery to the Director of the Arizona State Museum and, in consultation with the Director, take all reasonable steps to secure and maintain the preservation of the discovery in accordance with A.R.S. § 41-844.
- 16. If human remains or funerary objects are encountered during the course of any ground disturbing activities related to the development of the Project, Applicant, or its assignee(s), will cease all ground disturbing activities in the immediate area of the discovery and notify the Director of the Arizona State Museum in accordance with A.R.S. § 41-865.
- 17. Within 120 days after the approval of this Certificate by the Commission, Applicant, or its assignee(s), will provide the following information to all persons who have filed with the City of Coolidge or Pinal County any official master plan and/or subdivision plat for residential home development on property within one mile from the center of the Project Site: (i) a copy of this Certificate; (ii) a map showing the location of the Project; (iii) a pictorial representation of the Project; and (iv) a request that developers and homebuilders include this information in their disclosure statements to prospective buyers.
- 18. Applicant, or its assignee(s), will provide copies of this Certificate to the City of Coolidge, Pinal County, the Arizona State Land Department, and the State Historic Preservation Office.

19. On or before March 1 of each year, beginning in 2010, Applicant, or its assignee(s), will submit a self-certification letter identifying progress made with respect to each condition of this Certificate, including which conditions have been met. Each letter, together with reasonably detailed supporting documentation, will be filed with Commission Docket Control, with copies to the Arizona Attorney General and the Department of Commerce Energy Office. This requirement will expire on the date the Project is placed into commercial operation or this Certificate expires.

GRANTED this 3 day of October, 2008.

ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

John Føreman, Chairman